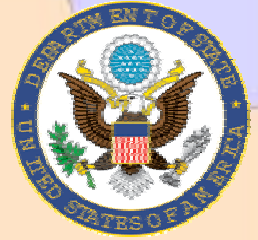


26 January 2005



Iraq Weekly Status Report

UNCLASSIFIED

DEPARTMENT
OF
STATE



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Highlights

1.0 Neutralize the Insurgents

- Iraq and Coalition forces continue operations to neutralize the insurgents.

2.0 Ensure Legitimate Elections

- 7,785 candidates representing 111 entities including political parties, coalitions, and individual candidates are on the ballot for the 275-seat National Assembly in this Sunday's election.
- 18,900 candidates are registered to compete in the national, provincial and Kurdistan regional elections.
- Extraordinary elections-related security measures have been announced including the closing of borders, restriction on the use of vehicles and movement between provinces, and extended nighttime curfews for the period of time surrounding elections.
- 280,303 voters registered in the 14 countries hosting Out of Country Voting. Registration ended January 25.
- Voter education messages and political advertisements are dominating the radio, television, and print media.



Highlights

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3.0 Create Jobs and Provide Essential Services

- ï Fuel and electric power supplies are low, especially in Baghdad, due to continued disruption of the fuel distribution system. Baghdad fuel supplies are sufficient to maintain current consumption levels through the elections.

4.0 Establish Foundations for a Strong Economy

- ï Iraq's consumer price index (CPI) rose 3.3 percent in the month of December and a total of 31.7 percent for 2004.

ï 5.0 Establish Good Governance, Rule of Law

- ï Distribution of goods to IDP sites around Fallujah by USAID/OFDA implementing partners reached 36,290 families between December 20, 2004 and January 10. More than 330,000 Fallujah IDPs have received assistance since November 2004.

ï 6.0 Maintain International Engagement and Support

- ï Albania, Australia, Bangladesh, Canada, Ghana, Indonesia, Mexico, Panama, UK, Yemen, and the Association of Central and Eastern European Election Officials will participate in the International Mission for Iraqi Elections (IMIE); the headquarters for IMIE will be in Amman.



[1.0] Neutralize the Insurgents ñ Iraqi Security Forces Update

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Iraqi Security Forces Components:

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|-----------------------------------|-----------------------------|
| -- Police | -- Army |
| -- Civil Intervention Force | -- National Guard |
| -- Emergency Response Unit | -- Intervention Force |
| -- Border Enforcement | -- Special Operations Force |
| -- Highway Patrol | -- Air Force |
| -- Bureau of Dignitary Protection | -- Navy |
| -- Police Mechanized Brigade | |

Total On Hand and Trained ~ 130,000



[2.0] Ensure Legitimate Elections ñ **Developments**

Election Planning continues:

- ï 7,785 candidates representing 111 entities including political parties, coalitions, and individual candidates are on the ballot for the 275-seat National Assembly.
- ï 18,900 candidates are registered to compete in the national, provincial and Kurdistan regional elections.
- ï The voter registry contains 14.27 million names.
- ï All elections materials have arrived in Iraq.
- ï 280,303 voters registered in the 14 countries hosting Out of Country voting. Registration ended January 25.
- ï IECI will allow Iraqis in the Anbar and Ninewa provinces to register to vote on election day at any voting center within their respective provinces.
- ï Internally Displaced Persons (IDPs) from Anbar province will be allowed to vote in Baghdad.
- ï Voter registration in Kirkuk province was extended to January 25.
- ï Election results will be announced on February 15.



[2.0] Ensure Legitimate Elections ñ **Developments**

Elections Monitoring:

- ï Up to 55,000 domestic elections monitors and political party agents are registered to observe voting.
- ï The International Mission for Iraqi Elections (IMIE) organizing international monitoring. IMIE is focusing on the election process in Iraq, as well as the registration and voting process outside Iraq.
- ï Participating countries sending monitors include Albania, Australia, Bangladesh, Canada, Ghana, Indonesia, Mexico, Panama, UK, Yemen, and the Association of Central and Eastern European Election Officials.



[2.0] Ensure Legitimate Elections ñ **Developments**

Public Affairs:

- ï Voter education is a principle focus of IECI, Embassy Baghdad, and NGOs in Iraq. Television commercials, print ads, and over 500,000 posters are focusing on explaining the process, encouraging participation, and recruiting polling staff.
- ï Political advertisements, candidate interviews, and political debates are prevalent on major television networks.
- ï IECI is setting up a media operations center to facilitate coverage of elections.
- ï Al Mada Newspaper in Baghdad released survey results indicating that two-thirds of eligible voters in Baghdad plan to vote on January 30.
- ï A twenty minute step-by-step video on the elections is airing on local television stations.
- ï A public service announcement encouraging Sunni participation began airing this week.



[2.0] Ensure Legitimate Elections ñ **Developments**

Look Ahead: Transitional National Assembly (TNA):

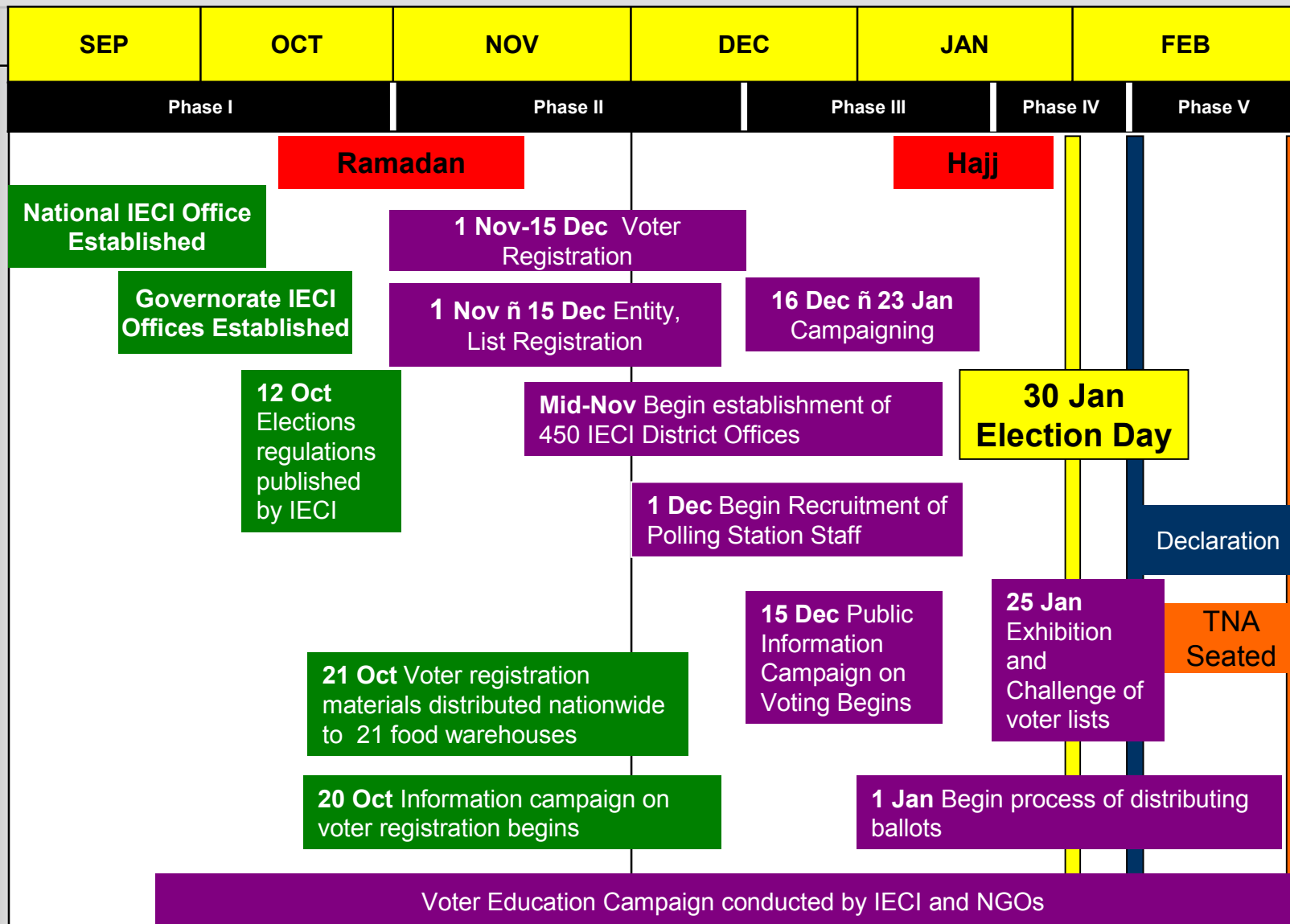
ï Once elected, the TNA will:

- Serve as Iraq's national legislature until the election of a new government under a permanent constitution.
- Name a Presidency Council, consisting of a president and two deputy presidents, that will appoint a prime minister. The Prime Minister and his Council of Ministers must receive a vote of confidence in the Assembly by a simple majority.
- According to the Transitional Administrative Law timeline, draft Iraq's new Constitution which will be presented to the Iraqi people for their approval in a national referendum by October 15, 2005.



[2.0] Ensure Legitimate Elections ñ Iraq Elections Timeline

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[3.0] Create Jobs and Provide Essential Services ñ **Economy**

Oil Update:

- ï Crude Oil prices in world markets for the week ending January 21 closed with Kirkuk Crude at \$38.30/barrel, Basra Light at \$35.85/barrel, and the OPEC basket at \$41.52/barrel.

Employment Update:

- ï Number of Iraqis employed by USG-administered projects in each sector

Employing Organization	Iraqis Last Week	Iraqi This Week	% Increase on Week
PCO (Project and Contracting Office)	17,076	19,651	15.1%
USAID	44,612	52,068	16.7%
AIRP (Accelerated Iraqi Reconstruction Program)	6,900	6,875	-0.4%
MILCON (Military Construction)	678	678	0.0%
CERP (Commanders' Emergency Response Program)	18,190	9,697	-46.7%
MNSTC-I	7,271	7,271	0.0%
IRRF NON-CONSTRUCTION	14,035	14,250	1.5%
GRAND TOTAL	108,762	110,490	1.6%

[3.0] Create Jobs and Provide Essential Services ñ Job Creation, Food Security, and Health Care



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Fuel and Power Supplies:

- ï Fuel and electric power supplies are low, especially in Baghdad, due to continued disruption of the fuel distribution system. Baghdad fuel supplies are sufficient to maintain current consumption levels through the elections.

Public Distribution System (PDS):

- ï The Ministry of Trade will meet 100 percent of its January requirements for wheat and 65 percent for rice.

Health Care:

- ï As of January 23, there are 81 primary health centers (PHC) sites under construction and 18 hospitals under renovation.



[3.0] Create Jobs and Provide Essential Services ñ Education

USAID Supports UNICEF:

- ï With funding from USAID, the United Nations Children's Fund (UNICEF) is implementing a comprehensive package of activities designed to help Iraq meet Millennium Development Goals in public health, sanitation and education.
- ï As part of its efforts to support the Ministry of Education (MOE) in reforms, UNICEF updated findings from the 2004 national school survey.
- ï The Iraq Education Survey was conducted January - February 2004 and covered every educational institution in the country. The findings are being released in three separate reports: statistics, qualitative analysis, and a detailed school-by-school mapping of findings.
 - ñ On October 15, 2004, the first comprehensive statistical report confirmed that thousands of school facilities lack the basics necessary to provide children with a decent education. Despite these difficulties, overall enrollment surged in the 2003/2004 school year, with 4.3 million children currently enrolled in primary schools (up from 3.6 million in 2000, the most recent year data was available prior to this survey).
 - ñ The Ministry of Education and all 21 directorates of education worked closely with USAID and UNICEF to conduct the survey, and are cooperating to make improvements as a result.
 - ñ The first report is available at <http://www.unicef.org/files/school-survey-vol1-eng.pdf>. The second and third reports will be released shortly.



[3.0] Create Jobs and Provide Essential Services ñ **Water and Sanitation and Telecommunications**

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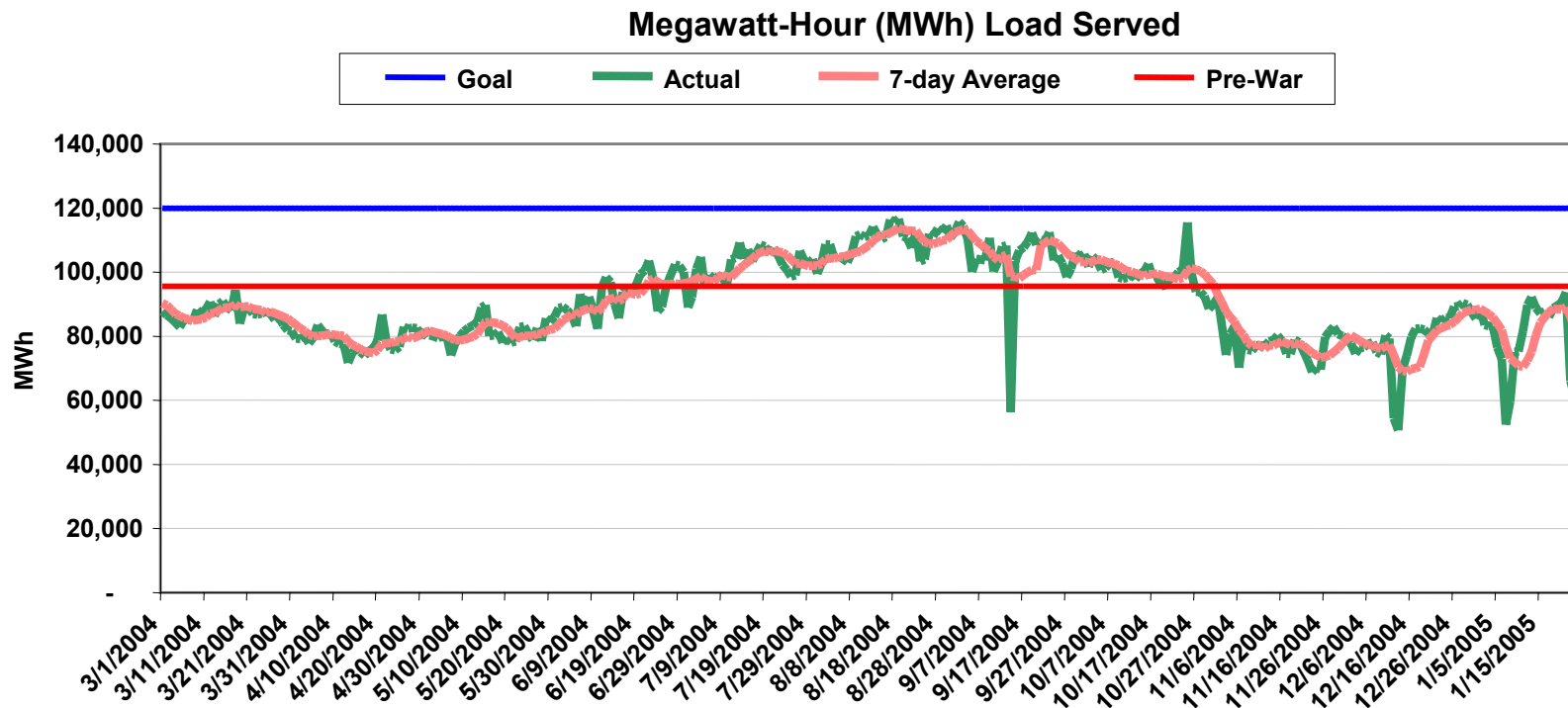
Water and Sanitation:

- ï USAID Local Governance Program specialists recently completed the installation of 50 computers for the Baghdad governorate Water and Sewage offices and are currently configuring the systems.
 - ñ Basic training is ongoing for 30 staff members on how to work with the new computer systems.
- ï Work has begun to expand and refurbish a water treatment plant in Karbala with expected completion in September 2005.
 - ñ In addition to providing clean water to Karbala residents, the plants supplies potable water to an estimated three million religious pilgrims to the Al-Hussein Shrine in Karbala each year.

Telecommunications:

- ï The Advanced First Responders Network National Coordination Center (AFRN-NCC) and base transceiver stations (BTS) are installed and ready to be activated.
 - ñ The AFRN will provide police, firefighters, and other emergency services with interoperable links to communicate with one another and coalition forces. Work is underway integrating BTSís into the network.

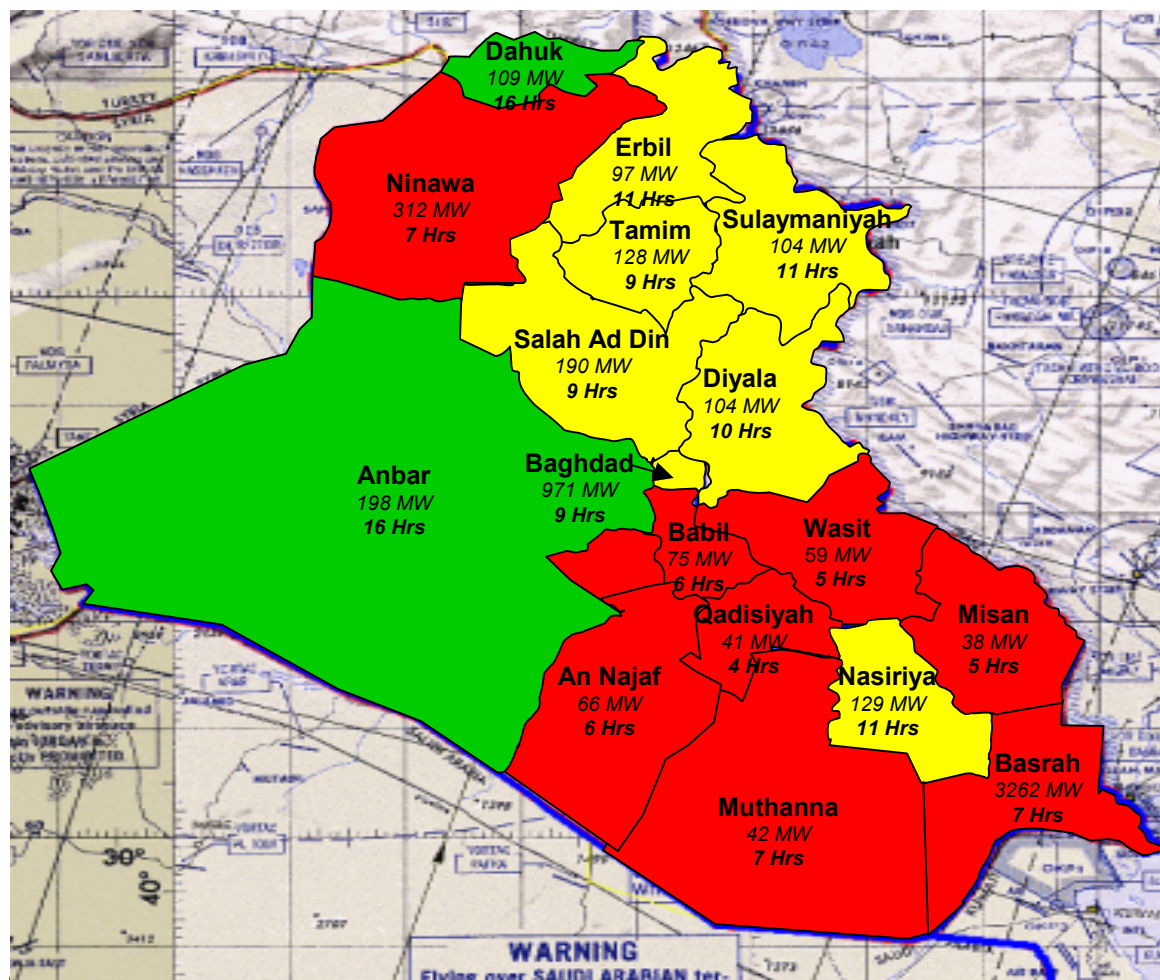
[3.0] Create Jobs and Provide Essential Services ñ Electricity Overview



- ï Although fuel shortages continue to be a problem, strategic reserves at Baghdad power plants have increased.
- ï Unplanned outages at the end of the week (January 23) totaled 1,306 MW. Outages due to maintenance were 764 MW.



[3.0] Create Jobs and Provide Essential Services ñ **Hours of Power**



AVERAGE HOURS PER DAY OF ELECTRICITY IN EACH GOVERNORATE FOR THE 7-DAY PERIOD

> 8 Hrs = Red

9 to 15 Hrs = Amber

16 Hrs = Green

No Report = White

IRAQ National Average:
8.5 Hrs/Day

Average Electrical Power Distribution per Governorate Jan 8 ñ 14



[4.0] Establish Foundations for a Strong Economy

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Iraqi Interim Government Reports 2004 Inflation Figures:

- ï Iraq's consumer price index (CPI) rose 3.3 percent in the month of December.
 - ñ Increases were seen in each category except tobacco/alcohol and clothing, with the largest increase of 14 percent for fuel and light prices. Food prices increased by 3.7 percent.
 - ñ Iraq's annual CPI index rose a total of 31.7 percent for 2004.

The Financial Information Management System (FMIS):

- ï Since February 2004, USAID's Iraq Economic Governance II (IEG II) program has worked to install the FMIS in approximately 50 Iraqi government institutions. FMIS is an automated networked accounting and budget execution system with online access and a real-time updated centralized database for all spending organizations in Iraq.
 - ñ Several training courses were conducted in December and January for staff from various ministries including the Ministries of Communications, Education, Electricity, Finance, Health, Higher Education, Labor and Social Affairs, Municipalities and Public Works, and Planning and Development Cooperation.
 - ñ FMIS will record payment and revenue transactions input, print checks in Baghdad and the governorates, provide instant information to online users, and produce budget and accounting financial reports.



[4.0] Establish Foundations for a Strong Economy

Iraq Currency and Securities Exchanges:

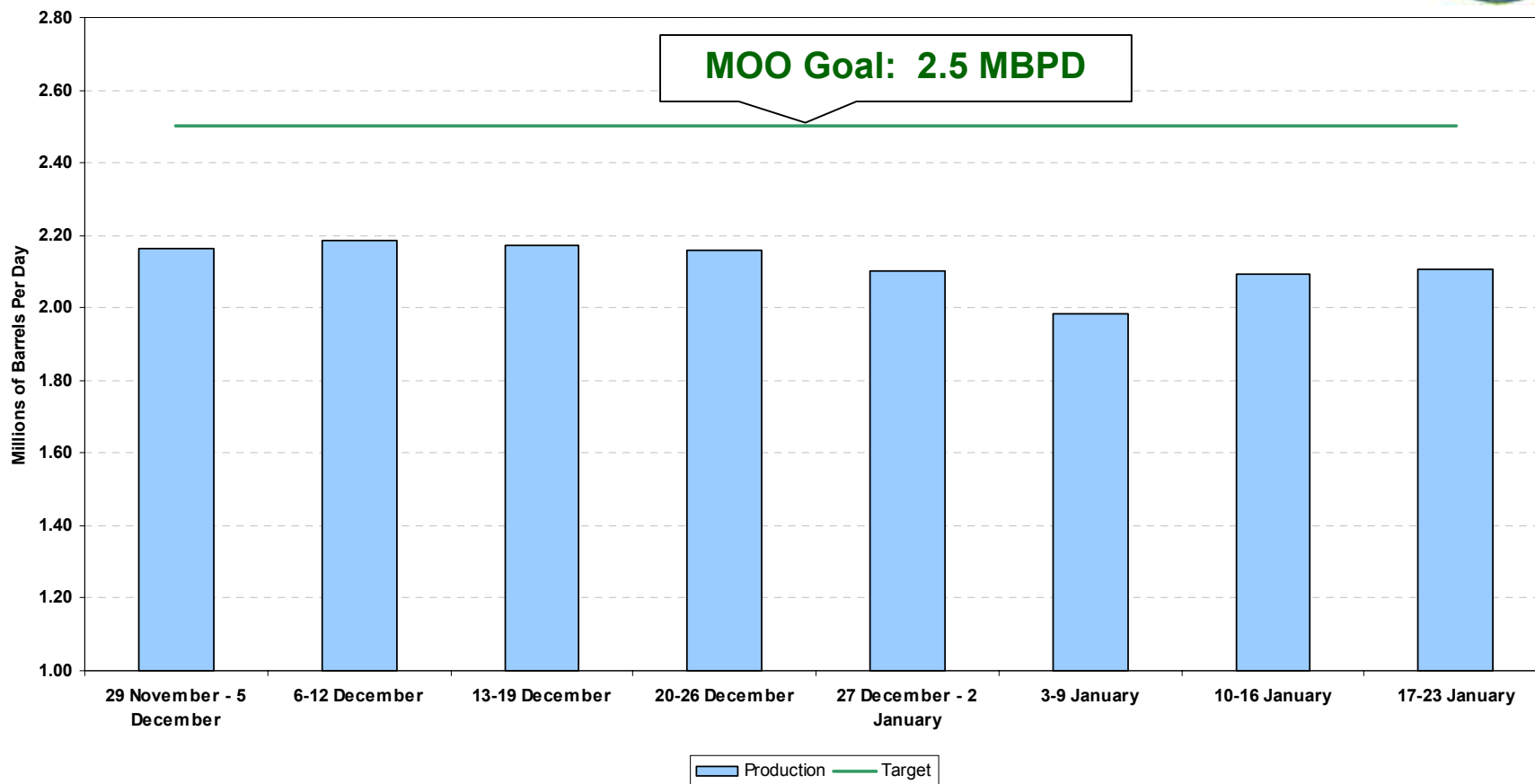
- ï At the New Iraqi Dinar (NID) auction on January 19, the settlement price was 1,460 dinars per USD with a total of 11 banks trading. The following table shows the purchase value of the top five banks:

Bank Name	Quantity Sold (in thousands of dollars)	Percentage of Total Auction
United Bank	3,500	27.83%
Al-Basra Bank	2,000	15.90%
Islamic Bank	1,400	11.13%
Middle East Bank	1,235	9.82%
Iraq Bank	1,160	9.22%
Total	9,295	73.92%

- ï The Ministry of Finance (MOF) auctioned ID 100 billion (about \$68.5 million) in T-Bills on January 17; the settlement yield was 5.5 percent with 9 banks offering winning bids. The following shows the results of the previous 6 auctions:

No.of Auction	Date of Auction	Amount of Issue	Term of Security (in days)	Maturity Date	Number Competitive Bidders	Winning Bidders	Total valid Competitive Bids	Total Competitive Awarded	Cover Ratio %	Bid Range yields	Cut off yield	Amount Sold
8	10/24/2004	150.030	91	1/24/2005	10	6	350.000	145.030	241.33	1.00% - 5.40%	2.50%	150.030
9	11/7/2004	150.010	91	2/7/2005	12	7	437.100	145.510	300.39	1.00% - 3.30%	1.10%	150.010
10	11/21/2004	150.010	91	2/20/2005	6	6	281.250	147.010	191.31	1.00% - 5.00%	1.20%	150.010
11	12/5/2004	124.550	91	3/7/2005	4	4	122.800	122.800	100.00	2.50% - 6.00%	6.00%	124.550
12	12/19/2004	200.030	91	3/21/2005	12	12	282.300	196.730	196.730	2.50%-10.00%	6.00%	200.030
13	1/2/2005	—	—	—	—	—	—	—	—	—	—	—
14	1/16/2005	100.030	91	4/18/2005	11	9	127.000	97.530	130.22	3.00% - 6.80%	5.50%	100.030

[4.0] Establish Foundations for a Strong Economy ñ Crude Oil Production



ï Weekly Average (17 - 23 Jan) of 2.11 MBPD

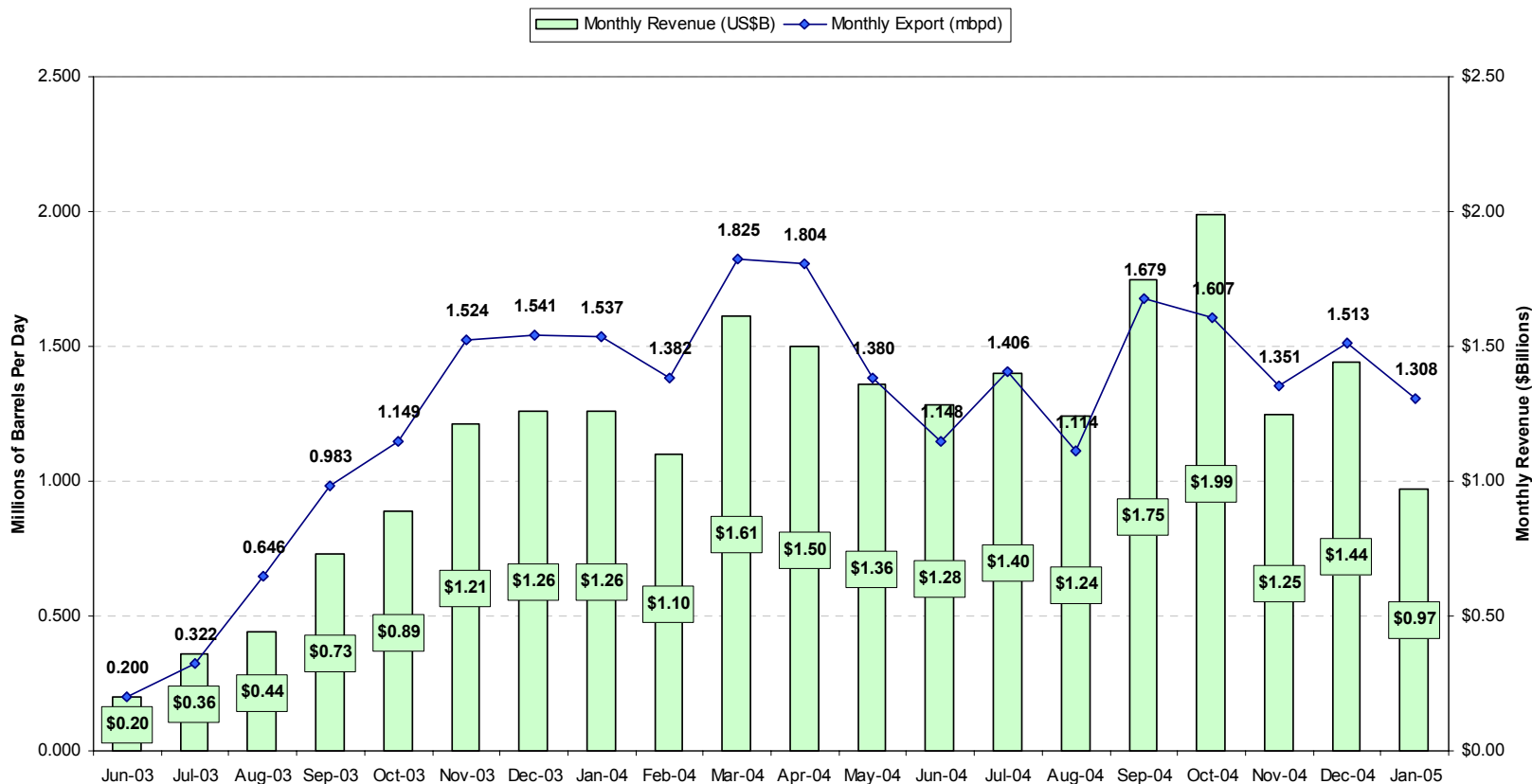
ï Pre-War Peak: 2.5 MBPD in Mar 03

ï Post-War Peak: 2.67 MBPD



[4.0] Establish Foundations for a Strong Economy ñ Crude Oil Export

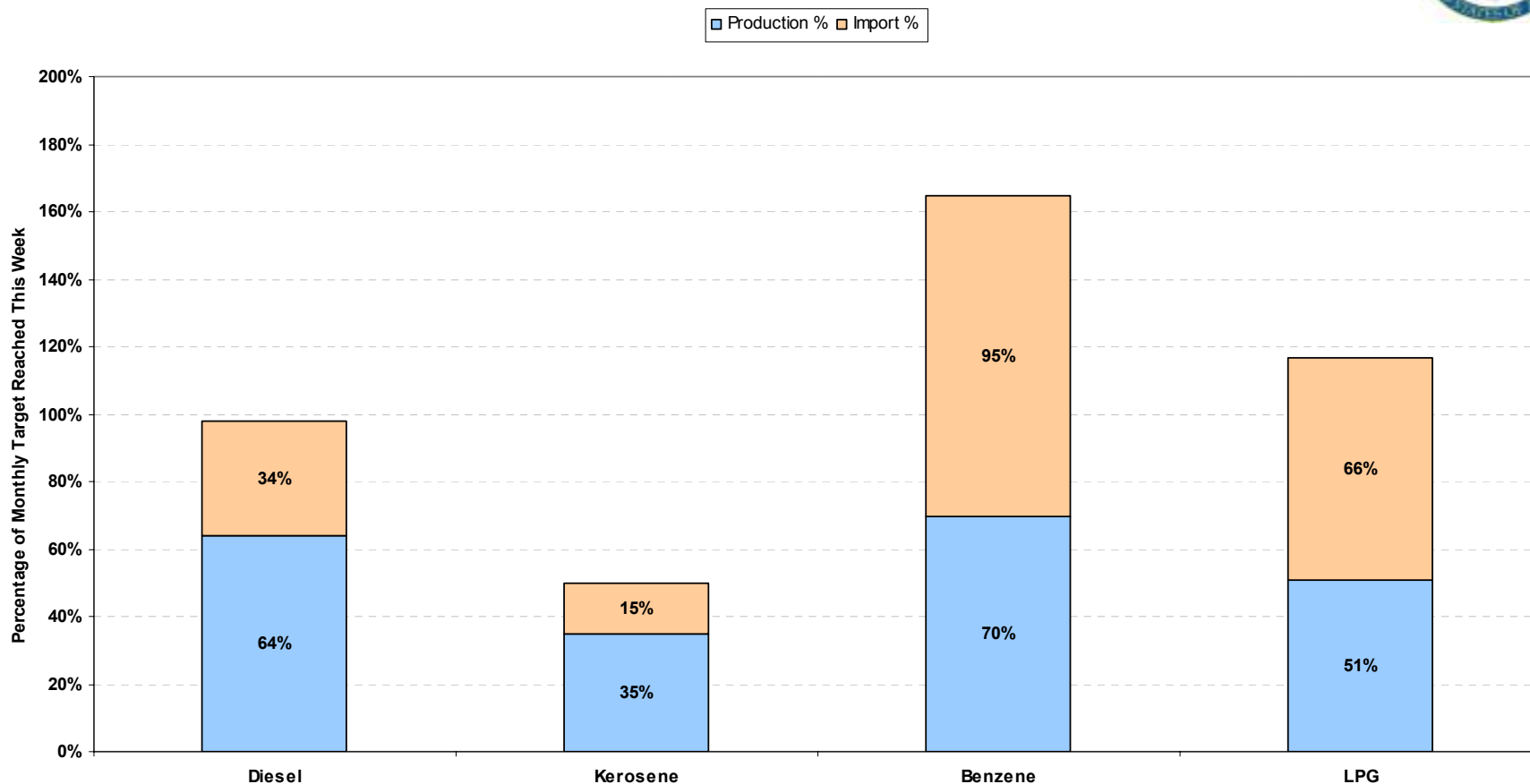
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Ĩ 2003 Revenue: **\$5,076.6M**
 Ĩ 2004 Revenue: **\$17,012.3M**
 Ĩ 2005 Revenue: **\$967.7M**



[4.0] Establish Foundations for a Strong Economy ñ Refined Products



Note: This chart represents the percentage of daily target reached for the week of 10 - 16 Jan

ï Diesel: 17.1 ML of 17.5 ML

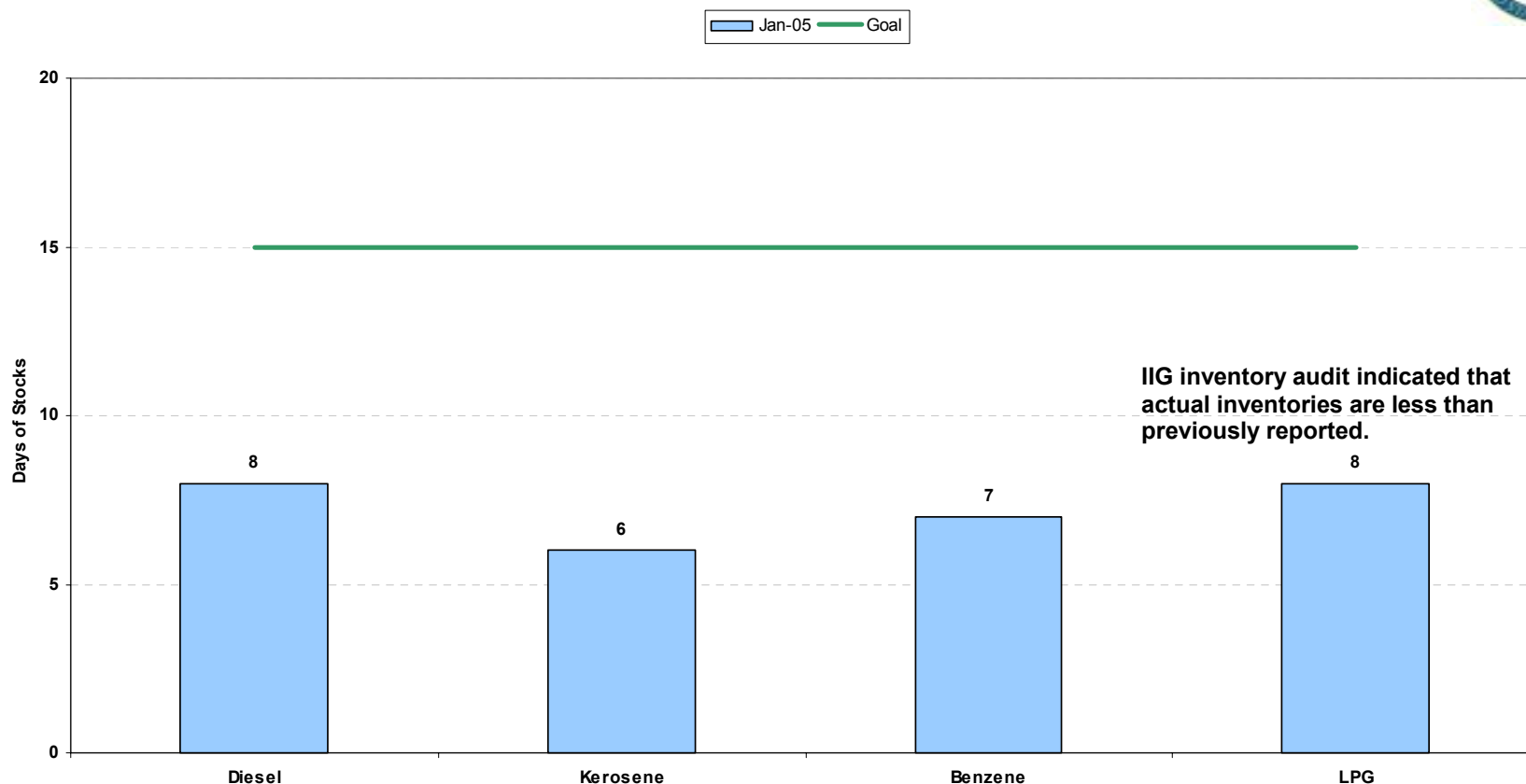
ï Benzene: 29.6 ML of 18 ML

ï Kerosene: 9.7 ML of 19.5 ML

ï LPG: 5,010 tons of 4,300 tons



[4.0] Establish Foundations for a Strong Economy ñ National Stock Levels

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ï The goal is for all refined products to be over 15 days worth of stocks at maximum consumption rates and does not represent seasonal change. The numbers given above are monthly averages.

[4.0] Establish Foundations for a Strong Economy ñ IRRF I & II Financials



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Sector	2207 Report	Apportion	Committed		Obligated		Disbursed	
			Last Week	Current	Last Week	Current	Last Week	Current
Security and Law Enforcement	5045	5045	4427	4522	3356	3350	1322	1390
Electricity Sector	4369	3772	3318	3288	2676	2663	631	656
Oil Infrastructure	1701	1701	1396	1355	939	920	131	132
Justice, Public Safety, and Civil Society	1120	1120	922	926	595	602	140	141
-Democracy	832	832	696	696	606	606	191	197
Education, Refugees, Human Rights, Governance	379	379	180	224	171	207	44	47
Roads, Bridges, and Construction	359	355	286	280	183	181	35	36
Health Care	786	786	758	740	506	501	28	31
Transportation and Communications	513	513	466	457	323	318	29	31
Water Resources and Sanitation	2279	1341	1294	1275	885	877	36	37
Private Sector Development	843	843	402	402	328	357	70	70
Admin Expense (USAID, State)	213	29	29	29	29	29	29	29
IRRF II SUBTOTAL	18439	16716	14174	14192	10598	10610	2687	2797
CONSTRUCTION	11306	9542	8583	8542	6417	6330	1367	1400
NON-CONSTRUCTION	6301	6228	4895	4954	3575	3673	1131	1200
DEMOCRACY	832	832	696	696	606	606	191	197
IRFF I SUBTOTAL	2475	2475	2475	2475	2475	2475	1907	1907
GRAND TOTAL IRRF I & II	20914	19077	16649	16667	13073	13085	4594	4704

No data received from OPIC or USIP this week
Changes driven by actions on obligations

[5.0] Establish Good Governance, Rule of Law ñ Refugees, Democracy and Human Rights



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Internally Displaced Persons (IDPs) of Fallujah

ï Distribution of goods to IDP sites around Fallujah by USAID/OFDA implementing partners reached 36,290 families between December 20 and January 10. More than 330,000 Fallujah IDPs have received assistance since November.

Local Governance Program (LGP)

ï USAID's Local Governance Program (LGP) held a series of Community Council Liaison Activities representing the implementation phase of LGP's earlier Democracy Dialogue Activities. These were conducted in all 18 governorates to stimulate civic participation and give Iraqis a forum to express their opinions and ask questions about the democratic process.



[5.0] Establish Good Governance, Rule of Law ñ Justice

Rule of Law Coordination

- ï INL is developing a comprehensive Justice Integration Project that will assist the Iraqis in reforming and establishing consistent policies and procedures for police, courts and prisons.
- ï In cooperation with the Ministry of Education, INL is developing a Culture of Lawfulness program to incorporate an appreciation for this concept in the schools.
- ï INL is supporting the special investor training of the Commission on Public Integrity with US trainers and equipment focusing on anti-corruption and transparency in government.



[6.0] Maintain Int'l Engagement & Support ñ **Developments**

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- ï Albania, Australia, Bangladesh, Canada, Ghana, Indonesia, Mexico, Panama, UK, Yemen, and the Association of Central and Eastern European Election Officials will participate in the International Mission for Iraqi Elections (IMIE).
- ï The International Organization for Migration (IOM) successfully completed the registration of 280,303 voters in 14 countries for Out of Country voting.
- ï UN Special Representative to the Secretary General Ashraf Qazi continues consultations with Iraqi political figures.
- ï UN elections expert Carlos Valenzuela stated that ñviolence alone will not discredit the Iraqi elections.î



[6.0] Maintain Int'l Engagement & Support ñ Stability Contributors

28

Countries with forces in Iraq (in addition to US)

Albania	El Salvador	Latvia	Poland
Armenia	Estonia	Lithuania	Portugal
Australia	Georgia	Macedonia	Romania
Azerbaijan	Italy	Moldova	Slovakia
Bulgaria	Japan	Mongolia	Thailand
Czech Rep	Kazakhstan	Netherlands	Ukraine
Denmark	Korea	Norway	UK

TOTAL ~ 25,300 Forces

*Note: Fiji participating as a part of the UN mission in Iraq

29 Countries and NATO

(including US)

Support Iraqi Stability Operations

Iraq Weekly Status ñ General Information



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- ï This brief draws from multiple sources. References are cited on the respective pages in the ìNotes Pageî section (View → Notes Page).
- ï Please forward all questions and/or comments to (unclassified) NEA-I-IPOG-DL@state.gov or (classified) NEA-I-IPOG-DL@state.sgov.gov